REMARKS

Claims 1 through 58 are in the application with claims 1 through 47, 56, 57, and 58 still under consideration and claims 1, 2, 4, 29, 32, 36, 56, 57, and 58 having been amended. Of the claims still under consideration, claims 1, 29, 56, 57, and 58 are the independent claims herein. No new matter has been added. Reconsideration and further examination are respectfully requested.

Claim Rejections

Claims 1 through 47, and 56 through 58 are rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 5,715,403 ("Stefik") in view of U.S. Patent No. 5,956,716 ("Kenner"). Reconsideration and withdrawal of the rejections are respectfully requested.

Claims 1, 56, and 58

Amended independent 1 relates to a method for establishing a distribution network. The method comprises receiving approval from a provider of content to allow a first distributor to act as a distributor of said content, establishing the first distributor of said content via transmission of an electronic signal, providing a first non-monetary benefit to said first distributor as a result of said first distributor establishing a second distributor of said content, shifting the content to the first distributor from a third distributor based on a reliability level of the third distributor, and monitoring at the first distributor a customer satisfaction of the second distributor. The providing comprises providing an indication of a location of the benefit and providing instructions describing how to receive the benefit. Moreover, the benefit is based on a reliability of the first distributor.

The art of record cannot be seen to disclose or suggest the above-mentioned features of amended independent claim 1. In particular, the art of record cannot be seen to disclose or to suggest providing a non-monetary benefit to a first distributor as a result of the first distributor establishing a second distributor of content, where the providing comprises providing an

indication of a location of the benefit and providing instructions describing how to receive the benefit and where the benefit is based on a reliability of the first distributor.

Stefik discloses a system for controlling the distribution and use of digital works. At column 23, line 50 through column 24, line 32, Stefik discloses usage fees and incentives. Stefik states that incentives are "paid by the right grantor to users to induce them to use or distribute the digital work". More specifically, at column 25, lines 35 and 36, Stefik states that an example of an incentive is the payment of "\$2.50". However, Stefik does not disclose that an incentive may be non-monetary nor does it disclose that an indication of a location of the incentive and instructions describing how to receive the benefit are provided. Furthermore, Stefik does not disclose that distributors are associated with reliability ratings.

Kenner has been reviewed and is not seen to remedy the aforementioned deficiencies in Stefik. Therefore, nowhere can Kenner and Stefik, taken in any permissible combination, be seen to disclose or to suggest providing a non-monetary benefit to a first distributor as a result of the first distributor establishing a second distributor of content where the providing comprises providing an indication of a location of the benefit and providing instructions describing how to receive the benefit and that the benefit is based on a reliability of the first distributor.

Amended independent claims 56 and 58 each recite providing a non-monetary benefit to a first distributor as a result of the first distributor establishing a second distributor of content where the providing comprises providing an indication of a location of the benefit and providing instructions describing how to receive the benefit, and where the benefit is based on a reliability of the first distributor.

In view of the foregoing, amended independent claims 56 and 58 are believed to be in condition for allowance.

Claims 29 and 57

Amended independent claims 29 and 57 each recite receiving a non-monetary benefit based, at least in part, on establishing at least one distributor of content, where the receiving

comprises receiving an indication of a location of the benefit and instructions describing how to receive the benefit, and where said benefit is based on a reliability of the distributor.

In view of the aforementioned deficiencies in Stefik and Kenner, amended independent claims 29 and 57 are believed to be in condition for allowance. Claims 30 through 47 dependent from independent claim 29 and are therefore also believed to be in condition for allowance.

CONCLUSION

Accordingly, Applicants respectfully request allowance of the pending claims. If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is kindly invited to contact the undersigned via telephone at (203) 972-4982.

Respectfully submitted,

January 30, 2008 Date /Richard S. Finkelstein/

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